



*United States Attorney
Southern District of New York*

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**NEW JERSEY ENGINEER ACCUSED OF EXPORTING BLUEPRINTS FOR
VALVES TO BE USED IN A NORTH KOREA NUCLEAR POWER PLANT**

JAMES B. COMEY, United States Attorney for the Southern District of New York, announced today that SITARAMAN RAVI MAHADEVAN, a/k/a "Ravi Mahadevan," was arrested on charges of allegedly illegally sending detailed blueprints for valves to be used in the construction of a nuclear power plant in the Democratic People's Republic of North Korea (the "DPRK").

According to the Complaint, unsealed today in Manhattan federal court, MAHADEVAN allegedly shipped the blueprints to Mitsubishi Heavy Industries, Inc. ("Mitsubishi") in New York, New York, knowing that they would be sent by Mitsubishi to, among other possible places, the DPRK, for use in a nuclear power plant being built in the DPRK.

According to the Complaint, on October 17, 2003, MAHADEVAN caused six packages -- containing approximately ninety blueprints (the "Blueprints") -- to be shipped to Mitsubishi, one of the contractors responsible for constructing the Korean

Peninsula Energy Development Organization's ("KEDO") Nuclear Power plant located in the DPRK. MAHADEVAN is an engineer at Valcor Engineering Corp. ("Valcor"), in Springfield, New Jersey, and the manager of Valcor's Nuclear Business Unit.

As described in the Complaint, regulations promulgated by the United States Commerce Department prohibit the export of any items to the DPRK without a license when a person knows, or has reason to know, that the item will be used in an unsafeguarded nuclear activity.

As described in the Complaint, unsafeguarded nuclear facilities include nuclear facilities which fail to accept the presence of International Atomic Energy Agency ("IAEA") inspectors at the facility. As described in the Complaint, because DPRK officials expelled IAEA inspectors in or about December 2002, all nuclear facilities in North Korea -- including KEDO -- are considered unsafeguarded. Accordingly, the export of valves, or blueprints of valves, of the type manufactured by Valcor to any nuclear facility in the DPRK without a valid Commerce Department export licence is prohibited.

As noted in the Complaint, although on an unrelated prior occasion, MAHADEVAN had applied for, and was denied, a licence to export valves and associated documents to India. MAHADEVAN allegedly shipped the Blueprints to Mitsubishi without obtaining an export licence from the Commerce Department knowing

that they could wind up in the DPRK.

As detailed in the Complaint, the investigation by the Commerce Department led to the seizure of the Blueprints while they were en route from Valcor to Mitsubishi and before they left the United States and before they could reach the DPRK.

According to the Complaint, Commerce Department engineers who inspected the Blueprints after they were seized stated that the Blueprints contained sufficient technical data (including, for example, tolerances and flow rates and tolerances for the valves depicted therein) to produce the actual valves themselves.

MAHADEVAN is scheduled to be presented before United States Magistrate Judge ANDREW J. PECK later this afternoon.

MAHADEVAN, 40, lives in Marleton, New Jersey.

If convicted, MAHADEVAN faces a maximum sentence of 10 years in prison and a \$250,000 fine.

Mr. COMEY praised the investigative efforts of the United States Commerce Department, Bureau of Industry and Security, and said that the investigation is continuing.

Assistant United States Attorney JOSEPH V. De MARCO and ANDREW FISH are in charge of the prosecution.

The charges contained in the Complaint are merely accusations and the defendant is presumed innocent unless and until proven guilty.

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